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An organization which rejects the method of the struggle for profit as the economic base for society; which seeks to replace it with social-economic planning in order to develop a society without class distinctions and privileges.

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THE FARMER AND THE NEW DEAL — AFTER 4 YEARS

When the New Deal came into power in 1933 it enacted the Agricultural Adjustment Act. This Act provided a program for controlling the production and adjusting the volume coming to market of the major farm products to an amount that could be sold at prices approximating a parity relation with prices paid by farmers. Tens of thousands of farmers were delinquent in paying taxes and meeting interest and principal payments on their debts, and faced the loss of their farms through forced sales.

The AAA program was effective in disposing of the greater part of the burdensome surpluses that had been depressing prices of farm products. It had raised farm prices up close to parity. But, early in 1936, the Supreme Court ruled the AAA and its farm production control program unconstitutional.

Soil conservation was the New Deal's next method of controlling farm production and at the same time conserving the rapidly disappearing soil resources of the nation. But this means proved inadequate, so that additional methods of controlling the volume of production and the flow of farm products to market, to achieve parity income for farmers, were sought through the Farm Bill recently enacted by Congress as the 1938 AAA.

PRESENT NEW DEAL FARM PROGRAM

The New Farm Act seeks to bring to the farmer prices that will enable him to purchase the industrial products he needs and thus bring about "balanced abundance." It embodies features of the outlawed AAA, and the present soil conservation program, as well as marketing quotas not heretofore used on a national scale. In the main, the Farm Act calls for cash benefit payments by the government to those farmers who retire some of their land from production and practice soil conserving methods. If this method fails to keep the supply of certain basic crops below a specified level, the farmers producing the crop are to vote as to whether marketing quotas shall be applied. Upon vote of two-thirds of the farmers participating in the election, marketing quotas are applied and every farmer marketing more than his quota of wheat, cotton, corn, rice or tobacco is required to pay a penalty tax.

Referendums on marketing quotas for cotton and tobacco were held March 12, 1938. Of the 2,300,000 cotton producers, 1,276,000 tabulated ballots showed 92½% voting in favor of quotas. Preliminary tabulations of the dark-fired tobacco vote show 88,209, or 91%, for and only 8,746 against. On flue-cured tobacco, 213,349, or 86%, voted for and only 33,908 voted against the quotas.

With the passing of the 1938 Farm Act in February, the program of governmental aid to farmers enters a fourth stage of evolution. The first stage was the Farm Board price-stabilization purchases in 1930-32. The second stage (but first for the New Deal) was the AAA commodity-control program of 1933-35; and third was the soil conservation program of 1936-37, inaugurated after the Supreme Court ruled the AAA unconstitutional. The fourth stage is the addition to the previous New Deal farm program of the ever-normal granary for the benefit of both producers and consumers.

ADVANTAGES OF THE NEW ACT

The new Farm Act gives consumers greater protection than they have ever had before and eliminates surpluses like that of 1932 and shortages such as those of the 1934 and 1936 drouths.

Pacific School of Religion

Commodity loans on cotton, wheat, and corn are directed to be offered to cooperators under certain conditions of below-parity price or above-normal supply, and may be offered to producers of other commodities in order to put a floor under prices.

Small farmers, tenants and sharecroppers are given more consideration and protection. Small producers' quotas may not be reduced below certain limits and are thus proportionally larger. Payments of less than $200 are increased by a set scale, smaller payments being proportionately larger. Beginning with 1939, no person may receive a payment of more than $10,000 in any one state. Landowners may not gain larger payments by removing tenants or sharecroppers. Payments may be assigned to secure advances but not to pay or secure past indebtedness.

The field of crop insurance is experimentally entered by provision for crop-coverage of the yield of wheat. Parity payments amounting to the difference between the average farm price of farm products and the parity price, which bears the same relation to prices of things farmers buy as existed in 1910-1914, are directed to be made on cotton, rice, tobacco, corn and wheat, if and insofar as funds are available. Funds have not yet been provided.

The reciprocal trade agreements being negotiated by Secretary Hull to expand the markets for American products are regarded by the AAA Administration as an integral part of the AAA program to expand the outlets for farm products.

Why does a "Christian" nation deliberately plan to produce less food when one-third of the people of the country are ill-fed? Why does not the government try to solve the farm problem by developing a program to put the millions of unemployed permanently to work with an annual income sufficient to enable them to buy all the food and other things necessary for a comfortable standard of living?

ATTITUDES OF FARM ORGANIZATIONS

Farm Bureau: The Farm Bureau was the principal farm group pushing for the enactment of the Farm Bill. Their leaders conferred with the Congressional drafters of the bills. President O'Neal commented after its passage, "It is the most effective step yet taken for controlling surpluses and stabilizing farm prices. It sets up the parity concept and leaves the way open to make parity payments. In the marketing quotas, which farmers can have in times of big surpluses, if they vote for them, there is provided a method of controlling surpluses that should be extremely effective in stabilizing market supplies and hence prices. Loans should do about as much for wheat farmers as for corn farmers. For cotton, tobacco and rice farmers who generally favor rigid control measures, the quotas are expected to play a major part in stabilizing supplies and prices."

Grange: The Grange actively opposed the passage of the Farm Bill unless what they regarded as compulsory features were eliminated. "Our contacts convince us that the overwhelming majority of Grange members throughout the country view with deep disapproval the compulsory features of the new Farm Bill. . . . It would be playing the shabbiest kind of a trick on the farmer if Congress, under guise of doing something to help in the solution of his problems, should bind him hand and foot and deprive him of his fundamental and constitutional rights."

Farm Holiday Association: The Farm Holiday Association disapproves of the new AAA. "By the cost-of-production method, quotas are set after the domestically consumed portions of the crop are guaranteed at cost of production. Consequently the farmer knows what he is going into. Under the system propounded in Congress, quotas may be set even though farm products are selling at a very low price.

"With the Department of Agriculture predicting a lower income next year (1938), the situation would seem to need something more constructive than the mere piling up of more of the same methods used by the administration these last few years. The time is here for something really forward-looking—for example the Minnesota Farm Conference plan which would set basic prices on farm products. If we want to stabilize, let's forget the speculators and profiteers, and really stabilize."

Southern Tenant Farmers: The Southern Tenant Farmers Union tried but failed to secure more protection for the tenant farmers and sharecroppers under the AAA, although the 1938 Act gives more protection than the 1933 Act.

Farmers Union: The Farmers Union sought in vain to have provisions included in the Farm Bill guaranteeing farmers cost of production for their products, but was successful in securing a larger measure of farmer control over local administration of the AAA programs. In general the disposition of the membership is to accept the Bill and to try to secure all possible benefits therefrom.

The National Cooperative Council: The National Cooperative Council, representing most of the larger cooperative marketing and purchasing associations and numerous small local associations, declared, regarding the Farm Bill, "Production adjustment should be brought about by encouraging voluntary methods which will not do violence to the American tradition of self-help." The position of the Council was elaborated in an address by the president, John D. Miller. "Your Executive Committee opposed compul-

sory production control. It means in the end political control of nearly all farms and all farmers. . . . The whole theory of compulsory reduction of farm products is based on the fallacious assumption that we can become richer by producing less wealth."

Dairy Farmers: The dairy farmers of the midwest fought vigorously to have the Farm Bill forbid that farmers be paid for diverting acres from soil-depleting crops and using these diverted acres to produce other products for market. They feared competition from the south in dairy products. Southern farm groups just as vigorously opposed such restrictions on the ground that "with compulsory crop control an accepted principle, we will be barred forever from growing anything but cotton, peanuts and tobacco" and thus barred from diversification to expand farm income. The Farm Bill compromises by allowing farmers to keep up to a normal number of cows before they will lose diversion payments. Figures show that if cotton and tobacco prices are up near parity southern farmers won't milk many cows.

ECONOMIC CONDITION OF FARMERS

The Farm Program has admittedly raised the prices of farm products and expanded farm income and purchasing power. But in spite of the advances in prices the farm income available for supporting the farm family was only about 80% of parity in 1936-37, or 85% of parity when the government benefit payments are added. About 25% of the total population live on farms but normally receive only about 13% of the national income (only about 10% in 1937).

There was a substantial increase in the volume of production of farm products in 1937, aided by favorable weather conditions. Total volume of production was about 13% above 1929 and produced a drop in prices of farm products of about 17% between December, 1936, and December, 1937. This decline in farm prices wiped out one-third of the gain achieved up through the middle of 1937.

The average gross income per farm in the 11 southern states, according to the 1935 agricultural census, was $462 for that year, as compared with an average per farm of $1,189 in the other 37 states. Production expenses absorb about one-half of the gross income. The cotton farmers received an average price of between 11 and 12 cents per pound while the acreage restriction and marketing quotas were in effect, while for the 1937 crop they have been receiving between 7 and 8 cents per pound. Sales of automobiles and manufactured goods have declined noticeably in the cotton belt since the control programs were discontinued.

PLIGHT OF THE FORGOTTEN ONE-THIRD

"At least 3,500,000 (more than 25%) rural families have been on relief," according to a statement of C. Gill, of the WPA, before a Senate committee. "Rural families make up 42% of America's population. The need for Federal aid is as widespread and serious in the country as in the city. Farmers and village wage-earners are applying for relief or WPA employment in large numbers. In the cotton states alone, it is estimated 200,000 destitute families are receiving no form of aid. In many states, the distressed rural population is being left to shift for itself."

The 2,500,000 farm laborers received scant benefit from the various government programs to expand farm income. With a surplus of labor and pressing debts to be paid out of the higher income, farmers have been slow to increase wages of farm workers, which are still far below normal in comparison with both farm income and the income of non-farm workers. The annual income of farm workers provides only about $125 per *year* for each member of a family.

Despite substantial increases in prices of grains resulting from the AAA programs, large numbers of farmers in the great plains areas have been driven out by continuing drouths. On top of short crops from drouth in 1937, prices dropped and further complicated the situation.

"Poor White" tenants now number 1,202,174 and Negro tenants 629,301 in the south. The Southern Tenant Farmers Union reports, "This year the plight of these 8,000,000 Americans is even darker than it was a year ago. Wholesale evictions, estimated by competent authorities at 500,000, have taken place. Those who made a crop in 1937 earned about half what they earned the year before. When planting begins in March there will be thousands more of workers without land to cultivate. In their resistance to all efforts to remedy these conditions, the planters still continue their black record of violations of civil liberties."

THE OTHER HALF OF THE FARM PROBLEM

Prices are the result of the inter-action of factors influencing the supply and demand for particular products. The "Farm Program" is tackling the supply half of the problem of prices of farm products. "During the past five years farmers and farm leaders have concerned themselves with that part of the farm problem which farmers themselves could do something about, namely, the volume of farm production and farm prices," said L. H.

Bean on Jan. 28, 1938. "During the next five years it will be necessary for farmers to concern themselves as well with the other half of the farm problem, namely, the volume of industrial production and the purchasing power of consumers. The success of the ever-normal granary farm program, the ability to attain parity prices and parity income, the general raising of the farmer's standard of living, all depend fully as much on what business men do with industrial production as on what farmers do with their production, marketing and reserves."

The biggest reason why farm income has not, even with its manifold increase, reached adequate levels is that the government program to expand employment and consumer purchasing power has lagged behind in the New Deal procession. "To a much greater extent than is generally realized, the success of the agricultural programs and the welfare of agriculture depend on the restoration of industrial activity to a normal level and on maintaining an even rate of industrial activity," according to Mr. Bean.

Agriculture, business and labor are interdependent. Repeated government studies have shown that farm income and the payrolls of factory workers (constituting one-fifth of the city population) go up and down together. "The study of consumer purchases among wage-earning families in Illinois and the neighboring states shows that . . . an increase of $100 in the incomes of families having only $450 to $1,250 per year would add from $25 to $40 in the way of expenditures for food."

Through the experience of the past four years the farmers and the Department of Agriculture have been working out practical ways of planning and controlling the production of farm products. Their response to the criticism that they have curtailed production when one-third of the nation is ill clad and ill fed, is that they will produce whatever the nation will buy at a living price for the farmers and that they would rather produce and control production on an aboundance than on a scarcity level.

Can the farm problem and parity incomes for farmers and urban workers be solved until economic planning is applied to our entire economic system to establish the balanced relationships necessary for smooth functioning? If the industrialists and business men refuse to cooperate in a planned economic system, how long will the farmers and urban workers who constitute a majority of the population let the profit-seeking minority block the way to planned abundance for all?

FARMER-LABOR ACTION

Farmer and labor groups are awakening, despite a misleading press, to the necessity of joint action, both political and economic, to attain their common objective of a higher material and cultural living standard. Through the Farmer-Labor parties and similar coalitions both these producer groups have benefited in their struggles against exploitation by the commercial-industrial-financial interests.

A significant expansion of this collaboration occurred in December, 1937, when the Farmers Union (representing dirt-operating farmers), the United Cannery, Agricultural, Packing and Allied Workers and labor's Non-Partisan League signed a written alliance. The Non-Partisan League and U.C.A.P.A.W. agree not to try to organize the workers in farmer cooperatives without first consulting farm leaders. The alliance is cast in the form of an old-fashioned political deal, under which reciprocal support is pledged by each group.

This national alliance has been followed by somewhat similar action within several of the states. Labor's Non-Partisan League in Iowa collaborated with the Farmers Union in setting up the Iowa Non-Partisan League.

This collaboration has already had its effect in national legislative halls. Labor's Non-Partisan League supported the passage of the Farm Bill. Said the New York American Labor Party, "The Labor Party recognizes that no program which sincerely seeks the continued welfare of our country can ruthlessly disregard the farmers' basic claim for justice." Labor's support helped to win votes in Congress for passage of the bill.

When reactionary elements attempted to get the Nebraska Farmers Union to go on record opposing the federal wage-hour bill, progressive forces defeated the move. Said those in favor of collaboration, "Let's accept the friendship of labor." "Farmers are dependent for higher prices on higher wages for labor." "The worker and the farmer must stand together." The Farmers Union supported the wages-hours bill before Congress "for the protection of the industrial workers on whom farmers depend for a market."

The Grange, the Cooperative Council, and Farm Bureau officially opposed the wages-hours bill on the ground that "shortening the hours of labor and raising wage rates which are above the parity level with farm prices would add unduly to the cost of distribution of farm products and of things farmers buy." This action is somewhat softened by the declaration of the Farm Bureau, "We believe that a proper balance between the wages of organized labor, industrial prices, and farm prices is essential to the permanent prosperity of all groups." The Grange and Cooperative Council have made similar statements.

Will the churches help the exploited win economic freedom and justice, or silently acquiesce in their continued exploitation?

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